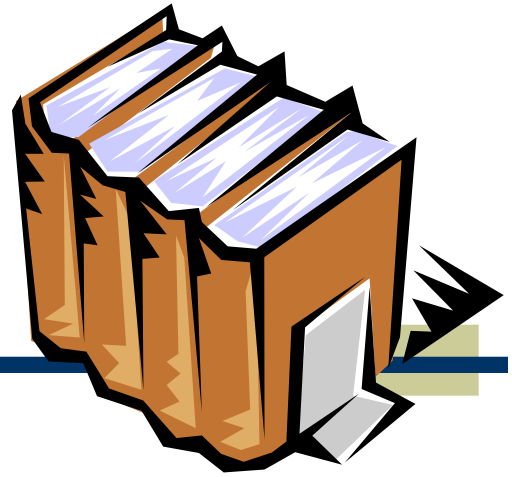
CHAPTER 6

MARKET RESEARCH

OBJECTIVES

- Explain the purpose of market research
- Discuss the process of completing market research
- Identify techniques and information sources for market research

MARKET RESEARCH



The process of collecting and analyzing information about the capabilities within the market to satisfy agency needs

COMMERCIAL ITEMS

- Those sold, leased or licensed to the general public or
- Those offered for sale, lease, or license to the general public

PURPOSE OF MARKET RESEARCH

- Aiding in the justification for other than full and open competition
- Performing acquisition planning
- Specifying or describing agency needs

PURPOSE OF MARKET RESEARCH

- Determining if commercial services are available to fulfill a government need
- Identify and define the government requirement

PURPOSE OF MARKET RESEARCH

- Comply to the maximum extent practicable to commercial practices
- Ensure acquisition of commercial items; promote full and open competition

PURPOSE OF MARKET RESEARCH

- Open lines of communication
- Determine small business presence in the market
- Increase efficiency of government contracting

MARKET RESEARCH PROCESS

- Start with a description of government need
- Some level of market research is required for all acquisitions

MARKET RESEARCH PROCESS

- Before developing new requirements for an acquisition
- Before soliciting offers with an estimated value in excess of the SAT
- Before soliciting offers with an estimated value less than the SAT if adequate information is not available

CONDUCTING MARKET RESEARCH

- Technical Specialist
  - Responsible for research on the specific requirement
- End-user
  - Decides what trade-offs can be made

CONDUCTING MARKET RESEARCH

- Legal Advisor
  - Determines if commercial practices conflict with the government's rights
- Cost/Price Analyst

CONDUCTING MARKET RESEARCH

- Contracting Representative
  - Determines commercial contract terms, conditions, type and bid schedule breakout
- Quality Assurance Personnel
  - Researches common surveillance or quality control methods

MARKET RESEARCH

- Commercial determination
- Statements of Work
- Industry Standards
- Contract Type
- Contract Financing

MARKET RESEARCH

- Vendor Base
- Quality Assurance
- Terms and Conditions
- Evaluation Criteria

MARKET RESEARCH

- Complete the requirements package
- Define the competition level
- Develop the QASP
- Write the contract

MARKET RESEARCH TECHNIQUES

- Market Research Group
- Develop sources of information
- Develop market questionnaire
- Assign contracts to subgroups

MARKET RESEARCH TECHNIQUES

- Gather information
- Prepare market research report
- Submit report to BSX at www.bsx.org

CONCLUSION

- Explain the purpose of market research
- Discuss the process of completing market research
- Identify techniques and information sources for market research